

PATIENT DAYS**Total Patient Days Adjusted for Bed-Hold (Sec. 1.307 of Methods)**

	DD3	DD2	DD1B	DD1A	ICF-4	ICF-3	ICF-2	ICF-1	SNF	ISN	Total
1 Inhouse Days											
2 Bed-Hold Days											
3 Bedhold Adjustment Factor	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	
4 Adjusted Bed-Hold Days	()	()	()	()	()	()	()	()	()	()	0
5 Reclassify Medicare Days to ISN	()	()	()	()	()	()	()	()	()	()	0
6 Reclassify Hospice Days to ICF-4**	()	()	()	()	()	()	()	()	()	()	0
7 NET ADJUSTED PATIENT DAYS	Lines 1 + 4 + 5 + 6										

** Patient Days as Adjusted for Bedhold (Sec. 1.307 of Methods)

Patient Days at Minimum Occupancy Test (Sec. 3.010 of Methods)

8 Number of Beds	Per Auditor
9 Calendar Days in Cost Report Period	From Page 1, Line 14
10 Total Bed Days	Lines 8 x 9
11 Minimum Occupancy Rate	90.5% (No Minimum Occupancy Standard if 50 or Fewer Beds)
12 Patient Days at Minimum Occupancy Rate	Lines 10 x 11
13 PATIENT DAYS, Greater of Actual or Minimum Occupancy Rate	Greater of Line 7 Total or Line 12
14 Minimum Occupancy Factor	Line 7 Total ÷ Line 12 (Not > 1.0000) (To 4 Decimals)
	n/a

Medicaid Patient Days as Adjusted for Bedhold

15 Medicaid Inhouse Days	From CR Sch b, Line 1
16 Medicaid Bed-Hold Days	From CR Sch 6, Line 7
17 Bed-Hold Adjustment Factor	From Sec. 1.307 of Methods x 85%
18 Adjusted Medicaid Bed-Hold Days	Lines 16 x 17
19 MEDICAID ADJUSTED PATIENT DAYS	Lines 15 + 18
20 Medicaid Percentage of Patient Days	Line 19 ÷ Line 7 Total (To 2 Decimals)
	n/a

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FACILITY: _____

CITY: _____

EQUALIZED VALUE

Building Sections:

	(A) Undepreciated Replacement Cost (URC)	(B) Depreciated Replacement Cost (DRC)	(C) Square Footage Adjustment	(D) Adjusted URC (A) x (C)	(E) Adjusted DRC (B) x (C)
1a Section 1	\$	\$		\$	\$
1b Section 2					
1c Section 3					
1d Section 4					
1e Section 5					
1f Section 6					
1g Section 7					
2 Total Adjusted Value					
3 Index Factor					
4 Indexed Values					
5 Number of Beds					
6 Value Per Bed					
7 Maximum URC per Bed					
8 Allowable URC					
9 Allowed Percentage of URC					
10 Equalized Value					

(Year of Appraisal = 1994)

Lines 1a to 1g
From Sec. 3.531 of Methods
Lines 2 x 3
From Page 2, Line 8
Line 4 ÷ Line 5
From Sec. 3.531(b) of Methods
Lesser of Lines 6 or 7
Line 8 ÷ Line 6
Lines 4 x 9

ALLOWABLE PROPERTY EXPENSES

	Gross Expenses \$	Allocation Ratio x	Net Expenses \$
11 Property Insurance Expense	From CR Sch 31		
12 Amortization Expense	From CR Sch 32		
13 Interest Expense	From CR Sch 33, Line 8, Col H		
14 Depreciation Expense	From CR Sch 34, Line 20		
15 Operating Leases	From CR Sch 35, Line 9		
16 Capitalized Leases	From CR Sch 36, Line 3		
17 Total Property Expenses	Lines 11 to 16		
18 Calendar Days in Cost Report Period	From Page 1, Line 14		
19 Calendar Adjustment Factor	365 ÷ Line 18 (To 4 Decimals)		
20 Total Adjusted Expenses for Cost Report Period	(If 366 Days, Use 1.0000)		
21 Maximum on Property Expenses (Sec. 3.521)	Lines 18 x 19		
22 Allowable Property Expenses	15% x Equalized Value from Line 10 Lesser of Lines 20 or 21		

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CALCULATION OF PROPERTY ALLOWANCE (Section 3.532 of Methods)

Line	Description	From Sec. I, Line 10 Line 1 x 6.00%	From Sec. II, Line 22	From 1997/98 Rate Worksheet From Sec. 3.537 of Methods Line 20 - Line 21 (Not Less than \$0.000)	Adjusted ** Patient Days	Patient Day Ratio	Sec. 5.810 Increment	Allocated Increment
1	Equalized Value							
2	Target #1 (T1) (Sec. 3.532 of Methods)							
3	Target #2 (T2) (Sec. 3.532 of Methods)							
4	Allowable Property Expenses							
5	INCENTIVE: if Expenses are Below T1:							
6	Amount Below T1							
7	Incentive Percent							
8	Amount Above T2							
9	Cost Share Percent							
10	Cost Share Amount							
11	Net Property Expenses							
12	Patient Days - Greater of Actual or Minimum Occupancy Rate							
13	Calendar Adjustment Factor							
14	Annual Adjusted Patient Days							
15	Net Expenses Per Patient Day							
16	PROPERTY INCREMENT (Sec. 5.800 of Methods):							
17	Nursing Facility (NF)							
18	ICF-MR							
19	Total / Blended Increment							
20	Allowance Subject to Maximum Decrease							
21	MAXIMUM PROPERTY ALLOWANCE DECREASE:							
22	Property Allowance - 6/30/98							
23	LESS: Maximum Decrease							
24	Minimum Property Allowance							
25	PROPERTY ALLOWANCE:							

** Patient Days as Adjusted for Bedhold (Sec. 1,307 of Methods)

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INSTITUTIONAL STATE PLAN AMENDMENT
ASSURANCE AND FINDING CERTIFICATION STATEMENT

STATE: WISCONSIN

TN - 98-011

REIMBURSEMENT TYPE: Inpatient hospital
 Nursing facility X
 ICF/MR X

PROPOSED EFFECTIVE DATE: July 1, 1998

A. State Assurances and Findings. The State assures that it has made the following findings:

1. 447.253(B)(1)(i) - The State pays for inpatient hospital services and long-term care facility services through the use of rates that are reasonable and adequate to meet the costs that must be incurred by efficiently and economically operated providers to provide services in conformity with applicable State and Federal laws, regulations, and quality and safety standards.

NA

2. With respect to inpatient hospital services --

- a. 447.253(b)(a)(ii)(A) - The methods and standards used to determine payment rates take into account the situation of hospitals which serve a disproportionate number of low-income patients with special needs.

NA

- b. 447.253(b)(1)(ii)(B) - If a State elects in its State plan to cover inappropriate level of care services (that is, services furnished to hospital inpatients who required a lower covered level of care such as skilled nursing services or intermediate care services) under conditions similar to those described in section 1861(v)(1)(G) of the Act, the methods and standards used to determine payment rates must specify that the payments for this type of care must be made at rates lower than those for inpatient hospital level of care services, reflecting the level of care actually received, in a manner consistent with section 1861(v)(1)(G) of the Act.

NA

If the answer is "not applicable," please indicate:

Addressed in separate submittal

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- c. 447.253(b)(1)(ii)(C) - The payment rates are adequate to assure that recipients have reasonable access, taking into account geographic location and reasonable travel time, to inpatient hospital services of adequate quality. NA

Addressed in separate submittal

3. With respect to nursing facility services --

- a. 447.253(b)(1)(iii)(A) - Except for preadmission screening for individuals with mental illness and mental retardation under 42 CFR 483.20(f), the methods and standards used to determine payment rates take into account the costs of complying with the requirements of 42 CFR 483 subpart B. X
- b. 447.253(b)(1)(iii)(B) - The methods and standards used to determine payment rates provide for an appropriate reduction to take into account the lower costs (if any) of the facility for nursing care under a waiver of the requirement in 42 CFR 483.30(c) to provide licensed nurses on a 24-hour basis. X
- c. 447.253(b)(1)(iii)(C) - The State has established procedures under which the data and methodology used to establish payment rates are made available to the public. X

4. 447.253(b)(2) - The proposed payment rate will not exceed the upper payment limits as specified in 42 CFR 447.272:

- a. 447.272(a) - Aggregate payments made to each group of health care facilities (~~hospitals~~, nursing facilities, and ICFs/MR) will not exceed the amount that can reasonable be estimated would have been paid for those services under Medicare payment principles X
- b. 447.272(b) - Aggregate payment to each group of State-operated facilities (that is, ~~hospitals~~, nursing facilities, and ICFs/MR) -
- when considered separately -- will not exceed the amount that can reasonably be estimated would have been paid for under Medicare payment principles. X

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If there are no State-operated facilities, please indicate "not applicable" : _____

- c. 447.272(c) - Aggregate disproportionate share hospital (DSH) payments do not exceed the DSH payment limits at 42 CFR 447.296 through 447.299. NA
- d. Section 1923(g) - DSH payments to individual providers will not exceed the hospital-specific DSH limits in section 1923(g) of the Act. NA

B. State Assurances. The State makes the following additional assurances:

1. For hospitals --

- a. 447.253(c) - In determining payment when there has been a sale or transfer of the assets of a hospital, the State's methods and standards provide that payment rates can reasonably be expected not to increase in the aggregate solely as a result of changes of ownership, more than payments would increase under Medicare under 42 CFR 413.130, 413.134, 413.153, and 413.157 insofar as these sections affect payment for depreciation, interest on capital indebtedness, return on equity (if applicable), acquisition costs for which payments were previously made to prior owners, and the recapture of depreciation. NA

2. For nursing facilities and ICFs/MR --

- a. 447.253(d) (1) - When there has been a sale or transfer of the assets of a NF or ICF/MR on or after July 18, 1984, but before October 1, 1985, the State's methods and standards provide that payment rates can reasonably be expected not to increase in the aggregate, solely as a result of a change in ownership, more than payments would increase under Medicare under 42 CFR 413.130, 413.134, 413.153 and 413.157 insofar as these sections affect payment for depreciation, interest on capital indebtedness, return on equity (if applicable), acquisition costs for which payments were previously made to prior owners, and the recapture of depreciation. X

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b. 447.253(d)(2) - When there has been a sale or transfer of the assets of a NF or ICF/MR on or after October 1, 1985, the State's methods and standards provide that the valuation of capital assets for purposes of determining payment rates will not increase (as measured from the date of acquisition by the seller to the date of the change of ownership) solely as a result of a change of ownership, by more than the lessor of:

(i) 1/2 of the percentage increase (as measured from the date of acquisition by the seller to the date of the change of ownership) in the Dodge construction index applied in the aggregate with respect to those facilities that have undergone a change of ownership during the fiscal year; or

(ii) 1/2 of the percentage increase (as measured from the date of acquisition by the seller to the date of the change of ownership) in the Consumer Price Index for All Urban Consumers (CPI-U) (United States city average) applied in the aggregate with respect to those facilities that have undergone a change of ownership during the fiscal year.

X

3. 447.253(e) - The State provides for an appeals or exception procedure that allows individual providers an opportunity to submit additional evidence and receive prompt administrative review, with respect to such issues as the State determines appropriate, of payment rates.

X

4. 447.253(f) - The State requires the filing of uniform cost reports by each participating provider.

X

5. 447.253(g) - The State provides for periodic audits of the financial and statistical records of participating providers.

X

6. 447.253(h) - The State has complied with the public notice requirements of 42 CFR 447.205.

X

Notice published on: June 30, 1998

If no date is shown, please explain:

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7. 447.253(i) - The State pays for inpatient hospital and long-term care services using rates determined in accordance with the methods and standards specified in the approved State plan. X

C. Related Information

1. 447.255(a) - NOTE: If this plan amendment affects more than one type of provider (e.g., hospital, NF, and ICF/MR, or DSH payments) provide the following rate information for each provider type, or the DSH payments. You may attach supplemental pages as necessary.

Provider Type: Nursing Facilities

For hospitals: Include DSH payments in the estimated average rates. You may either combine hospital and DSH payments or show DSH separately. If including DSH payments in a combined rate, please initial that DSH payments are included. _____

Estimate average proposed payment rates as a result of this amendment:

NFs: \$103.93 Per Day

ICFs-MR: \$192.08 Per Day

Average payment rate in effect for the immediately preceding rate period:

NFs: \$100.40 Per Day

ICFs-MR: \$185.69 Per Day

Amount of change: NFs: \$3.53 Per Day, ICFs-MR: \$6.39 Per Day

Percent of change NFs: 3.5%, ICFs-MR: 3.4%

2. 447.255(b) - Provide an estimate of the short-term and, to the extent feasible, long-term effect the change in the estimated average rate will have on:

(a) The availability of services on a statewide and geographic area basis: No change expected

(b) The type of care furnished: No change expected.

(c) The extent of provider participation: No change expected.

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- (d) For hospitals -- the degree to which costs are covered in hospitals that serve a disproportionate number of low income patients with special needs:

I HEREBY CERTIFY that to the best of my knowledge and belief, the information provided is true, correct, and a complete statement prepared in accordance with applicable instructions.

Signed Peggy L. Bartels Date 9/29/98

Peggy L. Bartels

Title _____

Director, Bureau of Health Care Financing

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X The State has in place a public process which complies with the
requirements of Section 1902(a)(13)(A) of the Social Security Act.

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